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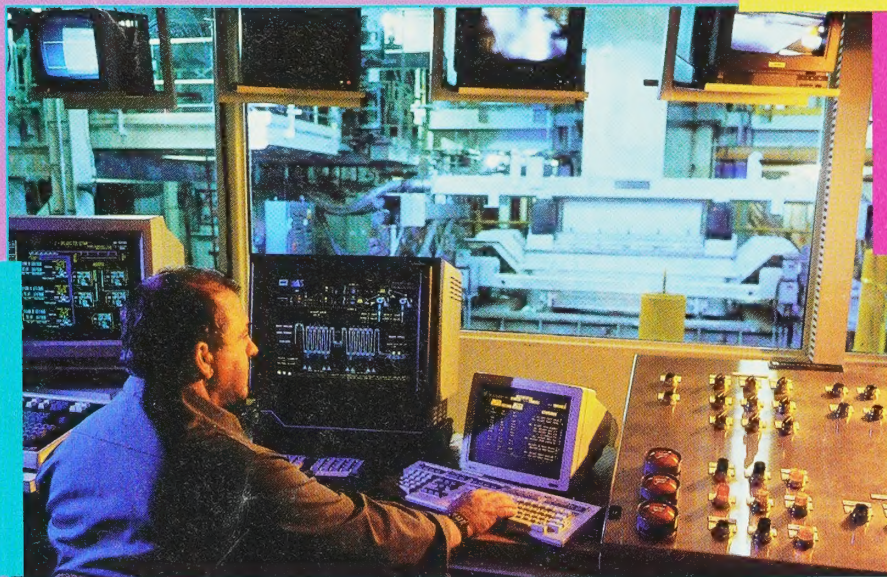
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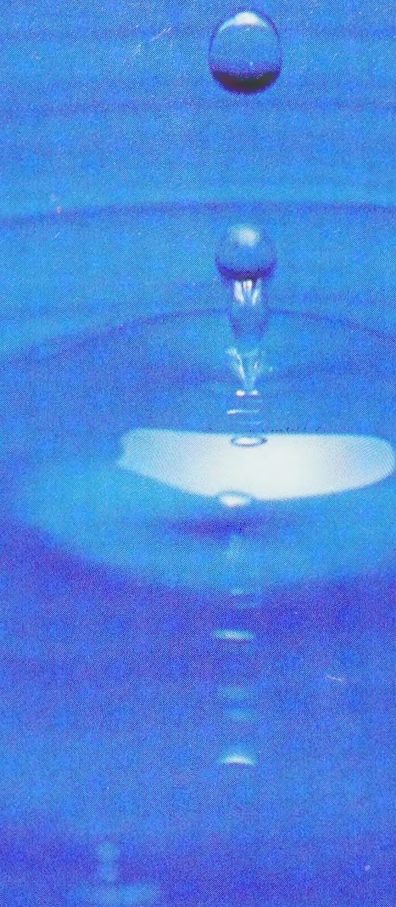
Shifting Gears to Compete

in a New World
of Technology



Sponsored by the Greater Hamilton Economic Development Department

A clear focus on water management



As a fully integrated environmental services company, PHILIP ENVIRONMENTAL has taken a leading role in pioneering a new generation of waste management systems and technologies.

These initiatives have led to the inauguration of a new operating division - PHILIP UTILITIES MANAGEMENT CORPORATION (PUMC) - to provide sound, cost-effective alternatives in water and sewage management. The scope of these professional services are world-wide, with the focus on providing contract operation, design and

construction expertise to municipalities and large scale industrial operations.

PHILIP UTILITIES offers a broad range of design, building and operations expertise to municipal and industrial clients. It's this commitment to delivering relevant, long-term environmental management solutions that makes PHILIP what it is today - a New Generation Environmental company.

PHILIP
UTILITIES

a division of PHILIP ENVIRONMENTAL
Recycling Solutions for Every Environment

Westcam, a division of Istek Inc., manufactured the gyro-stabilized mounting system that helped helicopter mounted cameras hold a steady bead on O.J.'s Los Angeles freeway ride.



- Numerous, quick-growing small and medium-sized companies
- The world-renowned research facilities of McMaster University
- The training capabilities of Mohawk College
- The regional government's ambitious yet realistic strategy for business development

The regional government's strategy relies on the recommendations of the Renaissance Project, which envisions growth for firms in the environmental, health care, advanced manufacturing, tourism, and food and beverage sectors. Such plans depend on Hamilton's recognized economic strengths.

Hamilton-Wentworth's location allows for easy access to major markets in Canada and the central and eastern US. A population of 100 million people and cities such as Toronto, Montreal, Chicago and New York lie within a 800-km (500-mile) radius.

The region is exceptionally well served by all modes of transportation. Hamilton's port handles more cargo than Toronto's. Major four-lane highways, such as the Queen Elizabeth Way, 401 and 403, link the city with US border points and major Canadian cities. Both Canadian railways serve Hamilton, and its 24-hour airport has become the Canadian hub for several international courier companies. The region's modern telecommunications infrastructure links it instantaneously with the rest of the world.

Hamilton-Wentworth also boasts outstanding cultural, tourist and recreational attractions, including Hamilton Place, a symphony orchestra, an opera company, several art galleries, the world-renowned Royal Botanical Gardens, the Hamilton Air Show and Aquafest. Copps Coliseum, a modern 18,000-seat sports and trade show facility, has showcased Canada Cup hockey games and the World Basketball Championships.

In environmental matters, Hamilton has moved to the head of the pack. In 1993 Hamilton was named one of the United Nation's 21 model municipalities for environmentally sustainable development, the only Canadian city so honored. Several other firms, such as Philip Environmental Inc., are recognized internationally as leaders in the field. ■

INTRODUCTION TO HAMILTON

Comtek Advanced Structures Ltd. symbolizes the future of the Hamilton-Wentworth economy. A new company, Comtek specializes in aircraft components made from composite material, a state-of-the-art product used in tennis racquets, Indy 500 race cars and airliners. Composite has been touted as the material of the 21st century, much the same way iron was for the 19th and steel for the 20th centuries. This high-tech product, almost unknown 10 years ago, holds enormous potential for future development.

Comtek is housed in the Greater Hamilton Technology Enterprise Centre, a concrete manifestation of the Regional Municipality of Hamilton-Wentworth's strategy to incubate new firms that will expand and diversify the local economy. Thanks to technology, the region is "shifting gears" to compete in the new global economy. Companies new and old are investing heavily: buying new systems, updating processes and training employees to ensure their place in the marketplace of the future.

For most of its history, Hamilton-Wentworth's contributions to the national well-being have been too easily

overlooked and undervalued. Virtually all Canadian homes, warehouses, office buildings and driveways contain something that came from Hamilton. The most obvious item is steel, used to build modern skyscrapers and to make household appliances, office furniture, cars and "tin" cans. But belying its steel-based past, Hamilton and the surrounding region now house many technology-driven firms with worldwide reputations in their fields. As the region moves forward, these firms will lead the way.

Despite the recession and the restructuring of the steel industry, Hamilton remains a prosperous place. The regional per capita annual income exceeds the 1993 Canadian average of \$17,600. And employment remains stable. According to the latest figures, the unemployment rate for the Hamilton was 8.2%—lower than the Ontario average of 9.2% and the national average of 10.2%.

Five interconnected components drive the engine of growth for the region's future:

- Traditional industries such as steel and other manufacturing

Medical Research at McMaster

McMaster University's Faculty of Health Sciences has earned an enviable reputation for the quality of its research. This excellence has enabled Hamilton to become a centre for clinical trials, thereby creating jobs.

In early 1993 the Philadelphia-based Institute for Scientific Information (ISI) reported that in the field of heart and lung research, McMaster's faculty and its partner teaching hospital posted the second-highest number of collective

citations per research paper of any institution in the world. (By comparison, Stanford University placed fourth and Harvard University was fifth.) Previous ISI reports ranked McMaster first in clinical, medical and immunological research in Canada.

That reputation pays dividends. For example, HOPE—Heart Outcomes Prevention Evaluation, a new major international clinical trial for the prevention of heart disease and strokes—was launched in January.

In July a \$26-million study, one of the most extensive ever run out of

Innovation Research Centre

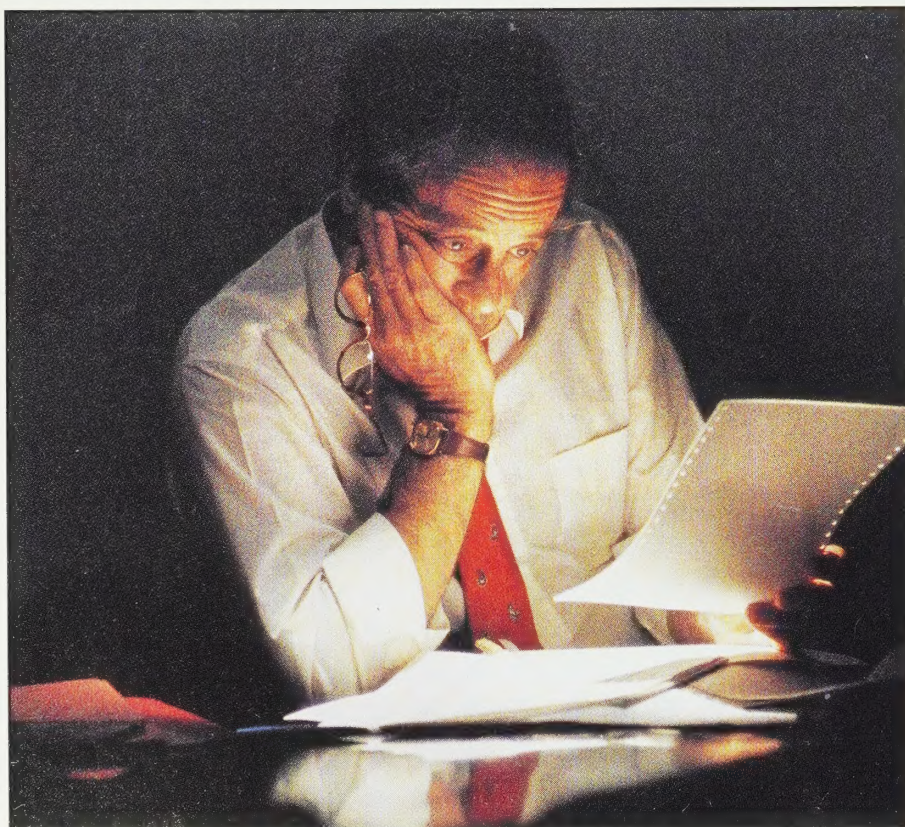
To survive and thrive in today's competitive global marketplace, every business needs to be creative, innovative and cutting edge. Finding out what works and what doesn't is the goal of McMaster's Innovation Research Centre, Canada's first university-based centre dedicated to conducting leading-edge research into the management of innovation.

Building on McMaster's reputation as the "most innovative" university in Canada, the centre was established to stimulate cross-faculty research in innovation and provide a core of expertise for business and industry to tap.

"There is no other business school in the country that has a third of its faculty engaged in management of innovation research," says centre director Christopher Bart. "We now have a resident core of academics working to bring current, advanced-level, state-of-the-art tools to the corporate world."

More than 30 working papers have been produced on everything from hiring innovative employees to managing creativity to shortening the lead time for new products. The centre has also established an e-mail link with researchers around the world, and plans to roll out its findings to government, business and industry at a national conference next year.

Says marketing professor Robert Cooper, "As a business, you want to make sure you have it right, and you want to make sure you get it out there fast. McMaster's Innovation Research Centre is the stimulus we need to identify the critical factors for success in the innovation age."



No one is an island!

Starting a new business is difficult and keeping it running profitably can be a challenge. Especially if you're a sole proprietor! Who do you turn to when you want to bounce around new ideas? Where can you get sound business advice? How can you grow while keeping your overhead costs in line? As the saying goes, you can't do it all yourself but there is an answer. Through the initiative of the Region's Economic Development Department, the Greater Hamilton Technology Enterprise Centre (GHTEC) provides expert counselling, seminars, infrastructure and competitively priced rental space for entrepreneurs looking to make that next step from home-based business to growth-oriented enterprise. It's an exciting, nurturing environment for innovation and expansion and if you'd like more information, call the Economic Development Department at (905) 546-4447 or fax us at (905) 546-4107. You can also call GHTEC direct at (905) 689-2400.



Canada, will test the effectiveness of the blood-thinning drug RheothRX (pronounced ray-o-thrix) for helping people survive a heart attack on 9,000 men and women worldwide.

In August, Hamilton Civic Hospitals and McMaster University joined forces with a California-based firm, Tempus Medical Inc., to launch Hamilton's first biotechnology company, Vascular Therapeutics Inc. In its first two years the firm is expected to inject \$4 million dollars into the local economy and create 20 immediate jobs.

Industrial Research at McMaster

There is a well-worn path between McMaster's research laboratories and the shop floors of local businesses. Thanks to public- and private-sector support, the Faculty of Engineering has set up industrial research chairs in various fields. These include process control, polymer production technology and environmental engineering systems, as well as several branches of telecommunications hardware.

Recently, General Motors of Canada Ltd., Hayes Dana Inc., Westinghouse Canada Inc., Liburdi Engineering Ltd., Fabris Manufacturing, Sensors Adaptive Machines Inc., and Husky Injection Molding System, donated money to establish a new chair in precision machining.

Additional support came from government sectors such as the Manufacturing Research Corp. of Ontario and the Ottawa-based Natural Science and Engineering Research Council.

Mohawk College Trains the Best

Research may set the future direction of manufacturing, but current performance depends on training existing employees. That's where Mohawk College comes in.

Mohawk ranks first in technological training in the number of faculty and students, as well as the breadth of courses offered. The Technology Transfer Institute (TTI) is the centre-piece of Mohawk's recent initiative to train local industrial workers. Since its inception in 1991, the institute's annual revenues have jumped twenty-fold to \$2 million.

Its largest component, a four-year "multiskilling" program for Stelco, will train 1,000 mechanical and 400 electrical tradespeople to do each other's jobs. Each year workers will spend five weeks of full-time study at the college.

Mohawk also has solved the problem of equipping its laboratories with up-to-date technology by arranging with major equipment vendors to supply it with their latest machines. "That helps showcase their products to potential buyers," says Bastel. "Nowadays, employers don't want their people trained on existing equipment, but rather on ones they plan to buy."

Food processing

For several generations, E.D. Smith Ltd. of Winona has been a fixture of the regional economy. In recent years it has expanded beyond jams, jellies and condiments, such as HP Sauce and ketchup, into pasta sauces and salsas. Moreover, it also produces 25 President's Choice "Memories of" sauces, marinades and glazes for Loblaw Cos. Ltd.

Another President's Choice supplier

is Hamilton's Bella Pasta, a company that has grown phenomenally by satisfying the insatiable appetite of today's consumers for fresh and frozen pasta, Italian sauces and ready-to-eat dinners. Founded in 1983 as part of a family-owned supermarket, Bella Pasta enjoyed \$200,000 in first-year sales. According to *Profit* magazine, the firm racked up sales of \$11.3 million in 1993, a dizzying 737% increase since 1988 that makes it the 50th fastest-growing company in Canada.

Another success story is Ancaster's Oak Run Farm Bakeries Ltd., which supplies English muffins to several large fast-food and supermarket chains. It exports about 20% of its output, mainly to the eastern US.

Hamilton-Wentworth is also blessed with its own winery, Stoney Ridge Cellars, located in Stoney Creek. As a "boutique" winery, it targets most of its annual production of 182,000 litres to the regional market.

Stoney Ridge's red and white wines have garnered numerous national and international prizes. For example, in March of this year a jury of winemakers and wine writers named its Classic

HAMILTON



PARADISE is JUST AROUND the CORNER

As you enter Greater Hamilton from the west, you'll catch a glimpse of paradise - Coote's Paradise. A conservation area set aside for the quiet contemplation and enjoyment of nature's diversity, it serves as a reflection of the variety and abundance of the Region; a nurturing environment for both personal and business growth.

This fertile environment has helped numerous companies grow and prosper in Greater Hamilton. New businesses have found the support services essential to successful development. For example, the innovative Greater Hamilton Technology Enterprise Centre provides expert counselling, seminars and competitively priced rental space for emerging companies. The Business Advisory Centre offers entrepreneurs an extensive network of business professionals to call on for experienced advice. In addition, the knowledgeable staff of the Region's Business Development Department are helpful in meeting the varied needs of business people, their families and employees.

With an inviting array of lifestyle and recreation alternatives, close proximity to major markets and a vibrant community capable of supporting sustained growth, business success in Greater Hamilton is just around the corner. For more information, call Greater Hamilton's Business Development Department at (905) 546-4447 or fax us at (905) 546-4107.



THE REGIONAL MUNICIPALITY OF HAMILTON-WENTWORTH, 1 JAMES STREET SOUTH, 3RD FLOOR, HAMILTON, ONTARIO, L8P 4R5



Cabernet the best general-listed Ontario red wine offered by the Liquor Control Board of Ontario.

The Lakeport Brewing Corp. is continuing the proud tradition of making beer in Hamilton. "If we were located in Toronto," says Bill Sharpe, Lakeport's president and CEO, "we would just be another brewery. But being located in Hamilton, we enjoy a higher profile and have a closer relation with local people. We are not just lost in the shuffle."

Almost by itself, Lakeport created the private-label beer market. The original producer of President's Choice beer for Loblaw, the company recently introduced Master's Choice beer for the A&P/Dominion/Miracle Food Mart supermarket chains.

The brewery is completely modern. "To repair a machine, it is easier to plug in a laptop [to conduct diagnostic tests]," says Sharpe, "than to take it apart to see what's wrong."

The various Lakeport brews are so popular that the company can barely keep up with demand. As a result, by early 1995 the plant will expand by 80% to increase annual output to

about eight million cases.

Greater Hamilton Technology Enterprise Centre

Using its own resources, the Regional Authority of Hamilton-Wentworth decided to create a place where small technology firms could be nurtured until they bloomed. The result was the Greater Hamilton Technology Enterprise Centre (GHTEC)—a modern 3,700-sq.-m building set on a 22.3-hectare site known as Tech Park. It opened for business in the fall of 1993.

GHTEC is a business incubator that provides ultramodern space, pay-as-you-need support services, business mentoring advice and like-minded business neighbors to fledgling companies. Of the four incubators in Ontario, GHTEC is the only one with a technology focus. The building also houses a National Research Council regional office. (In all, there are about 15 incubator malls in Canada and 500 in the US.)

Incubators help reduce the risk of starting a new business. Typically, 80%

of small businesses fail within the first five years. For firms nurtured in incubators, however, the failure rate drops to about 20%. Current GHTEC tenants provide a preview of the future stars of the regional economy.

Down GHTEC's long central hallway are the offices of Westcam, a division of Istek Inc., manufacturers of gyro-stabilized mounting systems that hold cameras steady when fixed to helicopters and planes. If you watched the late-night odyssey of O.J. Simpson on the Los Angeles freeway system, the Lillehammer Winter Olympics or the summer hit film True Lies, you've seen Westcam technology in action. In fact, the firm has received both a technical Oscar and an Emmy for its contributions to the entertainment industry.

The technology was developed in Hamilton by Westinghouse, which later sold it to its inventor, Noxon Leavitt, who in turn set up Westcam in the early 1970s. Westcam now exports more than 90% of its output, mainly to Japan. The company has a temporary office at GHTEC while awaiting completion next spring of its manufacturing facility in Tech Park.

Across the hall is a Westcam spin-off company, Ptolemy International, which has developed the technology to display maps, text and full-motion video images on the same computer screen. (The Westcam connection is related to capturing images using gyro-mounted technology.) "We call it integrated visual inventory," says Bob Lewis, Ptolemy's general manager. "It has various commercial uses, such as pipeline maintenance, monitoring hydro line rights of way and even selling Caribbean vacations. An operator just has to point a mouse and click on a spot on a map to bring up a picture of the location and a maintenance record or description.

In the past, such information was stored in different places. Our system will help people make better decisions because all the critical information is in one easily accessible place."

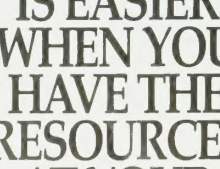
A very recent GHTEC tenant is Brytech, which moved its offices from Toronto. It produces the Can-Fog humidification system for offices and factories, which maintains proper humidity levels safely in a cost-effective and ecologically sound manner. The company has over 400 installations, including one in the huge Toronto

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Star printing plant north of Toronto.

Brytech plans to move into its new manufacturing facility next door in Tech Park sometime in 1995. According to president Bill Bryant, besides creating 12 manufacturing jobs, the firm will create 40 to 50 indirect jobs in service, installation and engineering.

GHTEC also enjoys broad support from the local business community. Bell Canada and Northern Telecom Ltd. contributed a sophisticated telephone system that serves as the centre's telecommunications lifeline. Other firms donated office equipment and other services. Coopers & Lybrand offers no-charge mentoring advice and discounted accounting services to GHTEC-based firms. "We wanted to help new businesses get started by making available to them top-end accounting and accounting services," says Bob Glenney, managing partner of the firm's Hamilton office. "In fact, we don't make any money from the fees we charge because we donate it back to the centre."



*Hamilton's
Lakeport
Brewing Corp.
has created a
niche for itself in
the private-label
market.*

Waste King

Philip Environmental Inc. has become one of the region's legendary business success stories. In 1980 Philip began with just six employees; it now has more than 1,500 in Hamilton alone. Originally, it transported waste for large steel companies and other local firms. Then it began to recycle some of the loads, which led to changing their chemical composition—either to convert them into a useable raw material for other industries or to render them less toxic and more easily disposable. "We have taken a negative," says Allen Fracassi, Philip's president and CEO, "and turned it into a positive. We are now selling our technology and making money with it."

To ensure future growth, Philip is expanding its services and moving into new and more distant markets. It has recently introduced a division that will operate municipal sewage plants under contract. And it has also started marketing its services and expertise in Latin America.

Still, Philip remembers its roots. "We have enjoyed a great deal of support from the local community," says Fracassi. "And we like being a partner in the region's future economic development."

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...on behalf of the Region of Greater Hamilton, we recently won eight awards at the 1994 EDAC Marketing Canada Awards. While we're proud of these achievements, we're prouder still of developing advertising strategies that produce tangible results in the marketplace.

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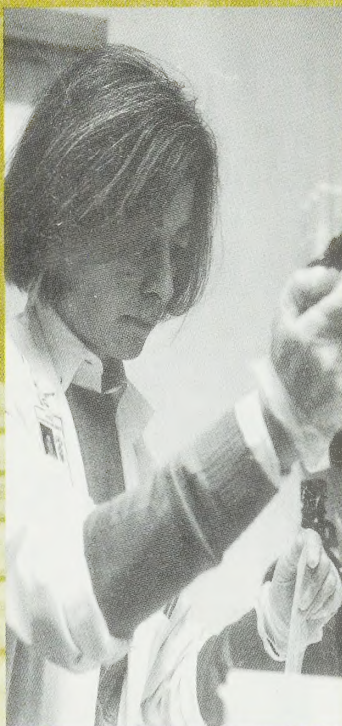
PARTNERSHIP

A COMMITMENT TO COMMUNITY SERVICE

When combined, these three elements are what make McMaster University a premier institution, locally, nationally and internationally. Recognizing the challenges ahead and the need to create, manage and transfer knowledge, McMaster is determined to pursue both new ideas and new partnerships with the academics, governments, corporations and community interests, whether local or global. McMaster is proud to be a partner in economic renewal with the Regional Municipality of Hamilton-Wentworth and is committed to sharing its research with the community in order to achieve a better, healthier, safer world.



*Robert Cooper, Professor of Marketing,
Michael G. DeGroote School of Business*



*Dr. Silvia Bacchetti, Cancer Researcher,
Health Sciences Centre*



*Dr. John Litva, Communications Specialist,
Communications Research Lab*



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